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TAGS: ENRG, TRGY, KSCA, AR
SUBJECT: ARGENTINE NUCLEAR CELEBRATION HIGHLIGHTS
-- UNREST IN NUCLEAR PROGRAM

1. (U) ARGENTINA'S FIRST NUCLEAR POWER REACTOR, ATUCHA I, COMPLETED ON NOVEMBER 16 ITS TENTH ANNIVERSARY OF SUPPLYING "FULL LOAD" POWER TO ARGENTINA'S ELECTRICAL ENERGY GRID. BUILT BY THE FRG'S KRAFTWERK UNION, THE 337 MW(E) PLANT ACHIEVED AN AVAILABILITY FACTOR OF 82.7 PERCENT OVER THE TEN YEARS. IN A MESSAGE TO CNEA PRESIDENT ALBERTO COSTANTINI, KWU DIRECTOR HANS FREWER CONGRATULATED CNEA FOR ITS "UNQUESTIONABLE DEMONSTRATION OF THE APTITUDE AND EFFICIENCY" OF ITS PERSONNEL, EULOGIZING ARGENTINE "CONSISTENT AND FARSEEING" NUCLEAR POLICY FOR THE PEACEFUL USE OF NUCLEAR ENERGY.

2. (U) PRESS COMMENTARIES USED THE EVENT TO UNDERLINE THE PRESENT ECONOMIC DIFFICULTIES AFFECTING THE NUCLEAR PROGRAM NOTING DELAYS IN PROJECTS SUCH AS ATUCHA II, (NOW THREE YEARS BEHIND SCHEDULE) AND THE HEAVY WATER PLANT AT RIO TERCERO. THE ARTICLES NOTED THAT THE DELAYS WERE CAUSING PROBLEMS FOR NATIONAL NUCLEAR SUPPLIER COMPANIES, INCREASING UNPRODUCTIVE COSTS, AND CREATING "CONDITIONS FOR A NEW EXODUS OF SCIENTISTS AND TECHNICIANS" FROM THE NUCLEAR PROGRAM. SOME CNEA SCIENTISTS AND TECHNICIANS TOOK OUT A PAID ADVERTISEMENT NOVEMBER 15 OFFERING THEIR SERVICES TO "SERIOUS FIRMS WITH PROMISING FUTURES" PAYING "A DIGNIFIED WAGE." THE CLEARLY IRONICAL AD UNDERLINED CNEA'S UNCERTAIN FUTURE AND SAID RESPONDENTS SHOULD DIRECT THEMSELVES BY LETTER TO THE CNEA LEADERSHIP.

3. (U) MEANWHILE, JORGE BERTONI, CNEA DIRECTOR OF NUCLEAR PLANTS, CLAIMED NOVEMBER 14 THAT "MASS RESIGNATIONS" OF SCIENTISTS AND TECHNICIANS AT CNEA WERE IMMINENT IF CONTINUITY IN ARGENTINA'S NUCLEAR PLAN WASN'T ACHIEVED. CITING THE THREE YEAR DELAY IN CONSTRUCTING ATUCHA II, BERTONI, HOWEVER, EXPRESSED HOPE THAT THE ECONOMIC SITUATION WOULD BE OVERCOME.

4. (C) THE HIGHLIGHTING BY THE PRESS OF CNEA UNREST COINCIDED WITH ANOTHER EFFORT BY CNEA PRESIDENT ALBERTO

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COSTANTINI TO PERSUADE PRESIDENT ALFONSIN TO INCREASE SUPPORT FOR THE NUCLEAR PROGRAM. COSTANTINI, AT THE EMBALSE PLANT NOVEMBER 8 TO COPE WITH A SERIES OF WORK STOPPAGES BY EMPLOYEES THERE FOR BETTER PAY, EXPRESSED HIS DISAGREEMENT WITH THE GOVERNMENT'S WAGE AND BUDGET POLICIES AND HINTED HE WOULD RESIGN IF WAGES FOR CNEA PERSONNEL WERE NOT INCREASED. IN A MEETING NOVEMBER 14, HE RAISED THE WAGE ISSUE WITH ALFONSIN. WE WERE SUBSEQUENTLY TOLD BY HIS ADVISOR, CARLOS RINALDI, THAT ALFONSIN AGREED TO RAISE CNEA WAGES (BY ABOUT 25 PERCENT WE UNDERSTAND BY ANOTHER SOURCE). RINALDI STATED THAT BOTH HE AND COSTANTINI, JR., ADVISORS TO THE CNEA PRESIDENT, AS WELL AS COSTANTINI HIMSELF WOULD HAVE RESIGNED HAD THE MEETING NOT PRODUCED ACCEPTABLE RESULTS.

5. (C) COMMENT. CNEA LABOR UNREST IS SYMPTOMATIC OF THE AGITATION BY PUBLIC EMPLOYEES IN GENERAL IN RESPONSE TO LOW WAGES. HOWEVER, CNEA EMPLOYEES, LONG THE PAMPERED SECTOR OF ARGENTINE INDUSTRY, HAVE BEEN MORE VOCAL IN THEIR COMPLAINTS, AND THESE ARE QUICKLY PICKED UP BY THE PRESS BECAUSE OF PUBLIC INTEREST IN THE NUCLEAR ISSUE. DESPITE THE CNEA PUBLIC GRUMBLING, IT APPEARS COSTANTINI GOT VERY LITTLE FOR HIS EMPLOYEES FROM ALFONSIN, GIVEN THAT A 25 PERCENT CATCH-UP RAISE WAS ANNOUNCED NOVEMBER 21 FOR THE ENTIRE PUBLIC SECTOR.

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END OF MESSAGE

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